

State of Montana
Department Of Labor & Industry
Project Charter

A. General Information

Information to be provided in this section gives a specific name to the project as well as pertinent information about the personnel involved.

Project Name:	Phoenix Project	Date:	7/10/2003
Controlling Agency:	Department of Labor & Industry	Modification Date:	
Prepared by:	Dale Matheson	Authorized by:	

B. Project Purpose

This section communicates the purpose of the project and the charter that is being established.

To implement the Department of Labor & Industry components of the statutory intention of SB 271 which states:

"AN ACT REQUIRING THAT THE PROCESS ORIENTED INTEGRATED SYSTEM (POINTS) COMPUTER SYSTEM OF THE DEPARTMENT OF REVENUE TO BE REPLACED WITH A DIFFERENT COMPUTER SYSTEM; REQUIRING THAT CURRENT DATA NEEDED FOR THE REPLACEMENT SYSTEM BE CORRECTED; PROVIDING THAT UNEMPLOYMENT INSURANCE TAX COLLECTIONS WILL NOT BE PROCESSED UNDER THE REPLACEMENT SYSTEM BY TERMINATING THE DELEGATION TO THE DEPARTMENT OF REVENUE OF RESPONSIBILITY FOR COLLECTING UNEMPLOYMENT INSURANCE TAXES FOR THE DEPARTMENT OF LABOR AND INDUSTRY; INCREASING THE DEBT LIMIT UNDER THE MUNICIPAL FINANCE CONSOLIDATION ACT; AUTHORIZING A LOAN TO THE DEPARTMENT OF REVENUE FOR THE REPLACEMENT SYSTEM; REQUIRING THE DEPARTMENT OF REVENUE TO IMPOSE AN ADMINISTRATIVE CHARGE FOR TAX COLLECTION SERVICES; REQUIRING THE ADMINISTRATIVE CHARGE TO BE DEPOSITED IN AN ACCOUNT TO BE USED TO PAY THE DEBT SERVICE ON LOANS ISSUED FOR THE REPLACEMENT SYSTEM; APPROPRIATING MONEY FOR DEPARTMENT OF REVENUE'S TRANSITION COSTS AND FOR LOAN REPAYMENT; AMENDING SECTIONS 15-1-501, 17-5-1608, 17-5-2001, 39-51-301 39-51-1109, 39-51-1301, AND 39-51-2402, MCA; AND PROVIDING EFFECTIVE DATES AND TERMINATION DATES."

(See the attached statute for more details.)

C. Project Objective

This section defines the objectives of the project as they relate to the goals and objectives of the organization.

The Project will support the following organization strategic goals with the project objectives identified. The project plan developed as a result of this project charter will:

- *Develop a project performance measurement plan to measure performance against these objectives.*
- *Provide a project performance report to document the results.*

The external oversight committee must approve the project performance measurement plan.

Agency Goals	Project Objectives
Agency Mission Statement: "The purpose of the Department of Labor and Industry is to promote the well-being of Montana's workers, employers, and citizens, and to uphold their rights and responsibilities."	<ul style="list-style-type: none">- To meet or exceed federal Tier I and Tier II Performance Standards- Improve service to customers- Timely and accurate processing of UI Tax contributions- Compliance with federal requirements for reporting, Tax Performance System, audit penetration and other requirements- Timely and accurate accounting of the UI Trust Fund- Successful data conversion from the POINTS system to MAC

	<ul style="list-style-type: none"> - Re-integrate the UI Tax program with the UI Benefits program - Revive the MAC system and make minimal modifications to meet the other project objectives
Agency Vision Statement: “The vision of the Department of Labor and Industry is to continually improve service to the public and job satisfaction for employees by focusing on: <ul style="list-style-type: none"> - Customer needs and satisfaction - Creating an environment for continual improvement - Empowering staff individually and in teams to make decisions which affect them - Increasing good teamwork and participation” 	
Unemployment Insurance Program Vision: “Montana’s Unemployment Insurance Program is the best in the nation.”	
Unemployment Insurance Program Credo: “Quality Service by Caring, Dedicated People”	

D. Project Scope

The level of detail in this section must be sufficient to allow for detailed scope development in the Project Plan. A more detailed description of the project scope will be developed in the Planning Phase. The reader is cautioned that scope creep (adding work without corresponding updates to cost, schedule, and quality) may render original plans unachievable. Therefore, initial clarification of scope, and adherence to the plan throughout the project, are of the utmost importance. Describe any applicable assumptions and/or constraints that may affect the project.

See the attached POINTS/UI Recovery Plan (presentation to the legislature given the CIO, Director of DOR, and the Commissioner of DOLI) and legislative Fiscal Note for initial project scope details.

The core of the Phoenix Project are the components of the Recovery Plan related to the transfer of the UI Tax Program back to the Department of Labor and Industry. As such, the pre-POINTS UI Tax system, MAC, will be revived. The MAC system will be revived and modified only to the extent needed to meet the minimal needs of meeting the Recovery Plan's goals & objectives. As such, MAC will only be modified to meet statutory (Federal and State), rule and technical changes which have occurred since 1999.

E. Project Authority

This section describes the authority of the individual or organization initiating the project, limitations or initial checkpoint of the authorization, management oversight over the project, and the authority of the Project Manager. This project charter defines two management structures—internal and external—to ensure change and issues affecting project completion are properly controlled.

• Authorization

This section ensures that the project initiator has the authority to commit the appropriate resources within the organization.

This Project Charter has been initiated by the Department of Labor & Industry and authorizes the expenditure of Department resources to complete a first checkpoint for the Project.

• Project Manager

This section explicitly names the project manager and may define his or her role and responsibility over the project. This section also lists the project manager’s skill sets and justifies his or her selection for this project. Depending on the [Project] complexities, this section may describe how the project manager will control matrix organizations and employees.

The Project Manager will be Dale Matheson. The primary justification for the selection of Dale Matheson is stated in the contract between the Department and Taliant Software (Mr. Matheson's employer) which states:

"The Division intends to re-implement by July 2004 the unemployment insurance tax assessment, collection and related functions, which are currently delegated to the Montana Department of Revenue ("DOR"). The Division needs Matheson's services to plan and oversee the Division's resumption of those tax assessment and collection systems. The existing automated systems used by DOR is

commonly referred to as POINTS, the Process Oriented INTe grated System. The automated systems to be used by the Division is commonly referred as MAC, Montana Automated Contributions. The work required to transfer data collected by DOR for the POINTS system into the MAC system and re-starting the Division's handling of the tax assessment and collection function is referred to as "the Phoenix Project". Because of the experience that Matheson has with regards to matters regarding Montana's computerized unemployment insurance tax systems including serving as the project manager of the POINTS stabilization project, no other person's services are as well suited for the Division's needs."

• Oversight (Steering) Committee

This section describes agency management control over the project. Within the project, internal control should be established to control the day-to-day activities of the project. The project manager should manage internal control. External oversight should be established to ensure that the organization's resources are applied to meet the project and organization's objectives.

Steering Committee Members:

- Commissioner of Labor & Industry - Wendy Keating - x3299
- Chief Information Officer - Brian Wolf - 2700
- Director of Department of Revenue - Linda Francis - x1900

Other Key Oversight:

- Phoenix Project Executive Sponsor/Project Champion - Keith Kelly - x2749
- Program Manager (from CIO's office) - Derek Scoble - x1282
- IRIS Project Executive Sponsor/Project Champion - Donna Rankin - x1873

See the attached presentation developed by the CIO that details the responsibilities of the Steering Committee and all other oversight entities (e.g., Program Management Office (PMO), Independent Validation and Verification (IV&V)).

• Controls

This section should describe or reference a process by which internal and external controls interact. Diagrams should be used where appropriate.

See the attached presentation developed by the CIO which details the various points of control for the project.

F. Roles and Responsibilities

This section discusses the overall structure of the project organization and its roles and responsibilities throughout the project phases. Note: As an addendum to this sub-section, it may be advisable to develop a responsibility matrix. The matrix lays out the major activities in the project and the key stakeholder groups. It also provides a good example of showing cross-functional/organizational interaction.

• Project Organization Overview

This section describes key organizations or individuals supporting the project not directly under the authority of the project manager. A responsibility matrix may facilitate the task of organizing and assigning resource responsibility.

Major Milestones	Functional Roles							
	Steering Comm.	DOLI Commiss.	Executive Sponsor	Project Manager	PMO	IV&V		
Kickoff	I	I	A	E	C			
Requirements	C	C	A	E	C	C		
Design	C	C	A	E	C	C		
Development	C	C	A	E	C	C		
Test	C	C	A	E	C	C		
Convert	C	C	A	E	C	C		
Train	C	C	A	E	C	C		
Deploy	C	A	C	E	C	C		
Maintain	I	I	A	E	C			
Policy Decisions	C	C	A	E	C	I		
Budget Decisions	C	C	A	E	C	I		

Legend:**E = responsible for execution (may be shared)****A = final approval for authority****C = must be consulted****I = must be informed****G. Management Checkpoints***This section describes key management checkpoints established by the initiating agency.*

Checkpoint	Evaluation Criteria
End of Requirements Phase	System requirements ready for Design and Testing Phases, Project Plan approved by Executive Sponsor
End of Design Phase	System design ready for programming, Conversion Plan and Performance Measurement Plan approved by Executive Sponsor
End of Programming/Development Phase	System ready for User Acceptance Testing
End of Testing Phase	System ready to deploy

H. Signatures*The signatures of the people below relay an understanding in the purpose and content of this document by those signing it. By signing this document you agree to this as the formal Charter statement to begin work on the project described within, and commitment of the necessary resources.*

Name/Title	Signature	Date
Dale Matheson / Phoenix Project Manager		
Gordon Higgins / Phoenix Project Operations Manager		
Joann Loughney-Finstad / UI Program Support Bureau Chief		
Keith Kelly / UI Division Administrator		
Wendy Keating / Commissioner of Labor & Industry		